

COPY

STATE OF NEW JERSEY
DEPARTMENT OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
NEW JERSEY STATE REAL ESTATE
APPRAISERS BOARD

IN THE MATTER OF

Administrative Action

JOHN H ARRINGTON License # 42RC00159200

FINAL ORDER OF DISCIPLINE

REAL ESTATE APPRAISING IN THE STATE OF NEW JERSEY

This matter was opened to the New Jersey State Real Estate Appraisers Board (the "Board") upon receipt of information which the Board has reviewed and upon which the following findings of fact and conclusions of law are made:

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- 1. Respondent is a State Certified Residential Real Estate Appraiser in the State of New Jersey, and has been a licensee at all times relevant hereto.
- 2. Pursuant to N.J.S.A. 45:14F-18 and N.J.A.C. 13:40A-5.3, all licensed and certified real estate appraisers are required to complete all continuing education requirements established by "The Real Property Appraiser Qualification and Criteria and Interpretations of the Criteria" promulgated by the Appraisal Qualifications Board of the Appraisal Foundation (the "AQB"), and the AQB requirements are incorporated by reference in the Board's regulations. For the two year period between January 1, 2008 and December 31, 2009, the AQB Qualification Criteria mandated that appraisers complete a minimum of twenty-eight class hours of approved continuing education.

- 3. Pursuant to N.J.A.C. 13:40A-5.4, all licensed and certified appraisers are required to complete a seven hour National Update Course on the Uniform Standards of Professional Appraisal Practice ("USPAP"), or its equivalent, at least once every 24 months. The AQB Qualification Criteria similarly mandate that appraisers must successfully complete the 7 hour USPAP Update Course, or its equivalent, every two calendar years.
- 4. Pursuant to N.J.A.C. 13:40A-5.8, licensees or certificate holders are required to maintain documentation for at least four years of continuing education hours completed in order to verify program attendance and/or activity completion.
- 5. On or about December 14, 2009, respondent completed and submitted a biennial licensure registration form, for the period January 1, 2010 through December 31, 2011 to the Board, and respondent's license was then renewed by the Board through December 31, 2011.
- 6. Respondent was asked on the biennial renewal application whether respondent "completed the continuing education requirement during the past two years," referring to the biennial renewal period of January 1, 2008 through December 31, 2009. The renewal application included "specific instructions" regarding this question, which read:

As a condition of renewal, licensees are required to obtain at least 28 credit hours of approved continuing education for each biennial renewal period subsequent to licensure/certification or 14 hours of continuing education if initially licensed or certified in the first six months of the second year. If initially

licensed or certified during the last six months of the second year, no continuing education is required. If you are exempt from this requirement for this renewal period only, please answer "yes" to this question. Credits may not be carried over to another renewal period.

Respondent answered "yes" to the question.

7. Respondent was asked on the biennial renewal form whether respondent successfully completed the seven hour National USPAP Update Course, or its equivalent, during the past two years, referring to the biennial period of January 1, 2008 through December 31, 2009. The renewal application included "specific instructions" regarding this question, which read:

As a condition of renewal, licensees must successfully complete the seven-hour National USPAP Update Course, or its equivalent, at a minimum of every two years. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB.

Respondent answered "yes" to this question.

- 8. Respondent certified, when submitting the renewal application, that all of the information on the renewal form was true and complete to the best of respondent's knowledge, and acknowledged awareness that if any of the information submitted was willfully false, respondent would be subject to punishment and/or disciplinary sanction to include license suspension or revocation or the imposition of civil penalties as provided by law.
- 9. After January 1, 2010, the Board commenced a continuing education audit, asking a random sampling of its licensees to

submit documentation to verify completion of required continuing education. Respondent was selected for inclusion within the continuing education audit.

- 10. On or about February 19, 2010, all licensees selected for inclusion in the audit were sent a notice, by regular mail, addressed to the address of record that the licensee maintained with the Board, advising of the need to supply copies of documentation maintained to verify continuing education hours claimed. On or about April 13, 2010, those licensees who failed to respond to the first notice were sent a second notice by the Board detailing the need to supply documentation to verify continuing education claims. The second notice was sent both certified and regular mail. The certified mailing of the second notice to respondent was returned as unclaimed. The regular mail was not returned.
- 11. Respondent failed to respond to any of the notices that were forwarded to him regarding the need to supply documentation verifying his completion of required continuing education.

CONCLUSIONS OF LAW

Respondent's failure to have responded to any of the notices that were sent to him requiring him to supply documentation verifying his claimed completion of required continuing education constitutes a violation of the Uniform Duty to Cooperate Regulation, N.J.A.C. 13:45C-1.2 and 1.3, which in turn subjects respondent to sanctions pursuant to N.J.S.A. 45:1-21(e).

By virtue of failing to have responded to the two notices, respondent is deemed to have failed to demonstrate, to the satisfaction of the Board, that he completed any hours of continuing education for the two year period between January 1, 2008 and December 31, 2009, and to have failed to demonstrate completion of the required 7 hour USPAP Update Course, or its equivalent. The Board therefore finds respondent in violation of both N.J.A.C. 13:40A-5.3 and 5.4, which in turn subjects respondent to sanctions pursuant to N.J.S.A. 45:1-21(e) and (h).

Based on the above findings and conclusions, the Board further finds that respondent falsely certified on the renewal application that all responses to all questions that were asked on that application were true. By doing so, the Board finds that respondent engaged in misrepresentation, and is therefore subject to sanction pursuant to N.J.S.A. 45:1-21(b).

Based on the foregoing findings and conclusions, a
Provisional Order of Disciptine provisionally suspending
respondent's license to practice and imposing a civil penalty was
entered on April 8, 2011. Copies were served upon respondent via
regular and certified mail. The Provisional Order was subject to
finalization by the Board at 5:00 p.m. on the thirtieth day
following entry unless respondent requested a modification or
dismissal of the stated findings of fact and conclusions of law
by setting forth in writing any and all reasons why said findings
and conclusions should be modified or dismissed and submitting

any and all documents or other written evidence supporting respondent's request for consideration and reasons therefor.

The regular mailing of the Provisional Order was not returned. The United States Postal Service track and confirm system provided inconclusive proof that the certified mail had been delivered. As such, on or about November 29, 2011 another copy of the Provisional Order of Discipline was mailed to respondent's address of records via regular and certified mail. The certified mail was unclaimed. The regular mail was not returned. By letter dated January 12, 2012, Respondent advised that he was unsure whether he had completed the required amount of continuing education during the appropriate time period. Respondent further advised that he had stopped practicing as a real estate appraiser and that he would not need his license any longer. Respondent was then offered the opportunity to voluntarily surrender his license and relinquish his right to reinstatement, in lieu of finalizing the Provisional Order of Discipline. Respondent failed to avail himself of that opportunity. Accordingly, the Board considered the matter, determined that further proceedings were not necessary and that the Provisional Order should be make final.

WHEREFORE, it is on this $\frac{3}{2}$ day of $\frac{March}{2}$, 2012 ORDERED that:

1. Respondent's certification to practice real estate appraising in the State of New Jersey is hereby suspended.

2. Respondent is hereby assessed a civil penalty in the aggregate amount of \$3500. Said penalty is an aggregate penalty, which includes a penalty in the amount of \$1000 for having make false representations when responding to two questions on the biennial renewal application, a penalty in the amount of \$1000 for having violated the Uniform Duty to Cooperate Regulation, a penalty in the amount of \$1000 for having failed to have demonstrated completion of any of the 28 hours of required continuing education during the licensure period January 1, 2008 through December 31, 2009, and a penalty of \$500 for having failed to have demonstrated completion of a 7 hour USPAP Update course during the licensure period of January 1, 2008 through December 31, 2009.

NEW JERSEY STATE REAL ESTATE APPRAISER BOARD

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Denise M. Siegel Board President